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C O N F I D E N T I A L SECTION 01 OF 02 JEDDAH 000257

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RIYADH, PLEASE PASS TO DHAHRAN; DEPARTMENT FOR NEA/ARP; PARIS FOR ZEYA; LONDON FOR TSOU

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TAGS: ECON KDEM KWMN PGOV SA

SUBJECT: WOMEN'S PARTICIPATION LACKLUSTER IN JEDDAH CHAMBER OF COMMERCE

REF: A. 2005 JEDDAH 3455 ¶B. 2005 JEDDAH 4941

1C. 2005 JEDDAH 4941

1D. 2005 JEDDAH 4967

¶E. 2005 JEDDAH 4925

Classified By: Management Officer Hector Morales for reasons 1.4(b) and (d)

11. (C) SUMMARY. In the wake of the historic November 2005 election for the board of the Jeddah Chamber of Commerce and Industry (JCCI), in which two female candidates were victorious, participation by women in JCCI affairs has been limited, and, in an April 1, 2006 election, only one woman ran for one of 75 open seats on JCCI constituent committees. Lackluster participation by women may be attributable both to hostility to women's progress among some men in the Jeddah business class, and to indifference among many businesswomen. Jeddah gold merchants boycotted the election in protest over a requirement that 100% of their employees be Saudi, and threatened to do business in the Kingdom as foreign firms to avoid the regulation. END SUMMARY.

FIRST JCCI ELECTION SINCE HISTORIC VICTORY BY TWO FEMALE CANDIDATES

12. (U) On April 1, 2006, the JCCI held elections for seats on five of its constituent committees. This was the first JCCI election since the historic November 26-29, 2005 board election, which was the first election of any kind in Saudi Arabia in which women were permitted to run as candidates (reftel A). In that election, female candidates secured two of the twelve elected seats on the JCCI board (reftel B), a stunning victory which was celebrated at the time as a significant advance for Saudi women and as proof that Jeddah is on the cutting edge of social change in the Kingdom (reftel C). (NOTE. The JCCI board consists of twelve elected members and six members appointed by the Ministry of Commerce and Industry. The Ministry subsequently appointed two additional women to the board (reftel D). END NOTE.)

"WOMEN DO NOT PARTICIPATE" IN THE JCCI

13. (U) This time around, only one woman ran in the JCCI election. Howaida Samy Al Aosta was one of 22 candidates seeking a seat on the real estate committee; she won a seat, placing in the top 15. Twenty-nine lawyers vied for seats on their committee, and 18, 17, and 16 candidates ran for, respectively, the contractors, commercial, and private schools committees.

- 14. (C) Conoff observed the opening of the polls at the JCCI offices and was shown around by Sharaf al-Sharif, the Western Region Branch Manager of the Saudi Export Development Center, an organization established under the auspices of the Council of Saudi Chambers of Commerce to promote Saudi exports (other than petroleum). Conoff was present for more than half of the time during which the polls were open, but did not see a single one of the JCCI's estimated 3,000 female members. After asking where the women's polls were located, Conoff was informed that there was no separate polling place for women. The Florida State-educated al-Sharif acknowledged the low turnout among female JCCI members and said, "Women do not participate" in JCCI activities. "This is a shame," he added, "but I believe it will be at least ten years before women participate normally." He said he understood why women may feel uncomfortable becoming actively in JCCI affairs, noting that "many men are hostile to their being here."
- 15. (C) NOTE AND COMMENT. In the November board election, even after the Ministry of Commerce's eleventh-hour decision to permit women to stand as candidates, which set the stage for the first election in Saudi history in which women participated on equal terms with men, turnout among women was extremely low, with fewer than 100 of the 3,000 female JCCI members casting ballots (reftel E). While international observers have read recent elections in the JCCI and other Saudi chambers of commerce like tea leaves, searching for evidence of nascent democracy and theretofore unseen shifts in societal attitudes toward women in Saudi Arabia, Saudi businesswomen seem to be generally indifferent to the elections. END NOTE AND COMMENT.

GOLD MERCHANTS' BOYCOTT

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16. (U) Consulate contacts reported that gold merchants boycotted the committee elections in an effort to pressure the Ministry of Commerce to drop its 100% Saudization requirement (i.e., mandatory employment of Saudis) for their businesses. Merchants have reportedly threatened to cancel their Saudi commercial registrations, transfer their businesses to Dubai or other Gulf countries, and then operate in Saudi Arabia as foreign firms, thereby lowering their Saudi employment requirement to 25%. Contacts have said that the JCCI will soon hold an emergency meeting to address the merchants' demands.

Gfoeller